

FHWA UPDATE

MPO/COG Conference

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REAUTHORIZATION

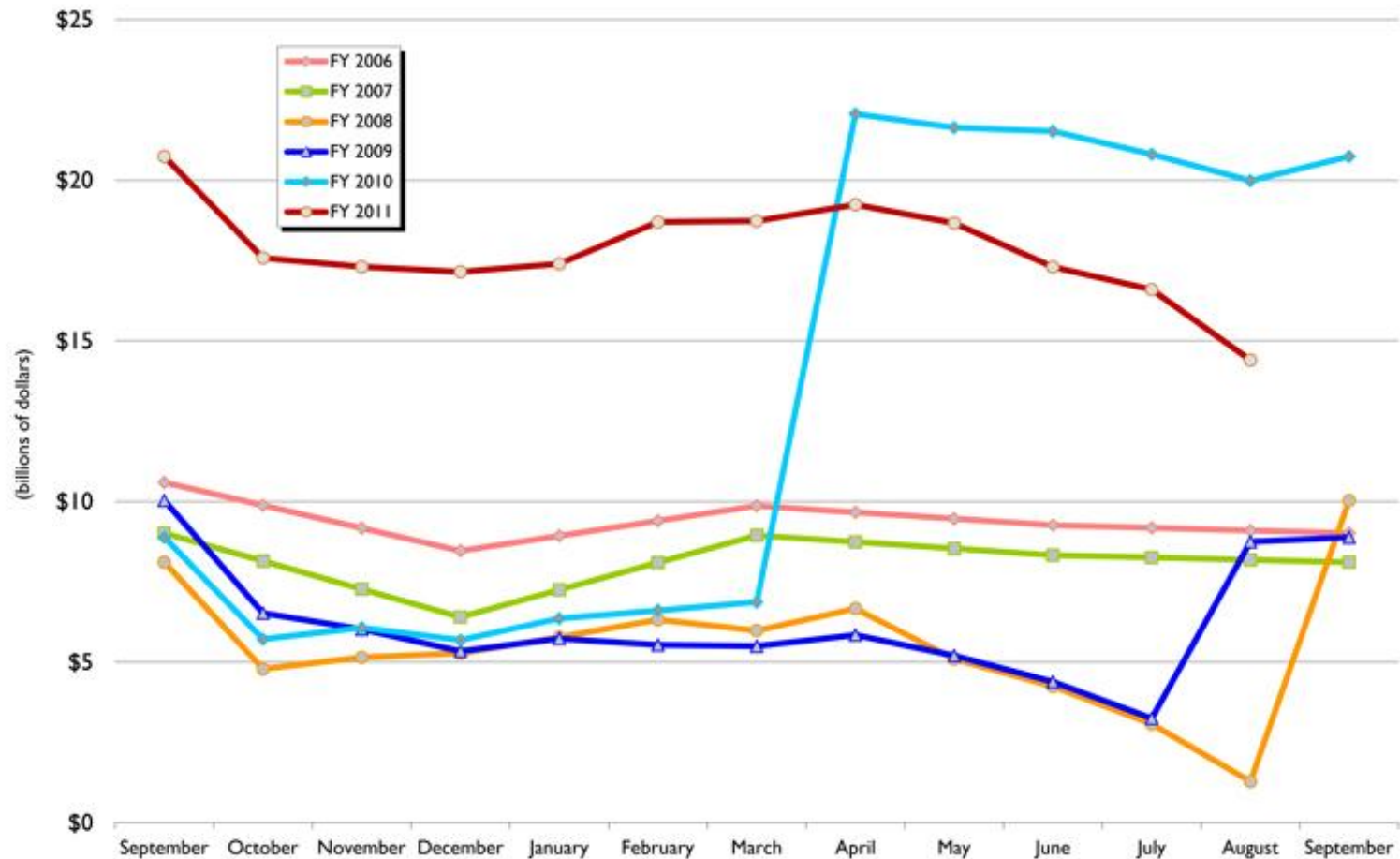


Current Law

- SAFETEA-LU provided funding through September 30, 2009
- Extension of authorization enacted through March 31, 2012
- Contract authority from HTF for first six months of FY12 at same level as FY11, including rescissions as in FY11 Appropriations Act.
- FY12 funding approved at FY11 levels under a Continuing Resolution until November 18, 2011.

Highway Trust Fund

Highway Account Balance



Ending balance for FY 2008 includes \$8.017 billion transferred from the General Fund in September pursuant to Public Law 110-318.

Ending balance for FY 2009 includes \$7 billion transferred from the General Fund in August pursuant to Public Law 111-46.

Ending balance for FY 2010 includes \$14.7 billion transferred from the General Fund in April pursuant to Public Law 111-147.

Proposed Legislation

House of Representatives

- Transportation and Infrastructure Committee has drafted a 6-year bill
- \$230 billion - seeking \$15 billion from “other revenue sources”
- Existing programs and funding categories would be consolidated

Senate

- MAP-21 -Moving Ahead for Progress in the 21st Century
- Environment and Public Works Committee has passed a two-year reauthorization bill
- \$85.3 billion - \$12 Billion shortfall projected
- Existing programs and funding categories would be consolidated.

No user fee increase proposed in either bill.

The Future

- National needs estimates range from \$1.7 - \$2.0 trillion over the next 9 years – approximately \$220 billion per year
- Both proposed legislations are funded at approximately \$40 billion per year – with funding gaps.
- Additional funding is always welcomed for Infrastructure improvement, but a long term program is needed to assure future investment and highway industry economic stability.
- Eight extensions, 769 days and counting as of November 8, 2011.

REASONABLE AVAILABILITY OF FUNDING

²³ U.S.C. Part 135(g)(4)(e)(E) **Requirement of anticipated full funding.**— The transportation improvement program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project

So, What is Fiscal Constraint?

- Means that the LRTP, TIP, and STIP include sufficient financial information to demonstrate that Projects in these plans can be implemented using committed, available, or reasonably available revenue sources, with assurance that the Federally supported transportation system is being adequately operated and maintained

Fiscal Constraint Requirement Before Approving the NEPA Decision

- **Projects Within Metropolitan Areas (MPO's)**
 - At least one subsequent phase of the Project is in the TIP (more if within TIP timeframe)
 - Entire Project is in the MPO's Fiscally Constrained Portion of the LRTP. (Can't be on a "wish" or "unfunded" list in the LRTP).
 - Full funding is reasonably available for the completion of the entire Project

Fiscal Constraint Requirement Before Approving the NEPA Decision

- **Projects in Non-Metropolitan Areas (COGs)**
 - At least one subsequent phase of the Project is in the STIP (more if within STIP timeframe)
 - Project is consistent with the Statewide LRTP
 - Full funding is reasonably available for the completion of the entire project

How did we get here?

- Lack of Consistency
- Many questions concerning when the environmental approval can be signed (CE, FONSI, ROD)
- Not a clear understanding of the Fiscal Constraint requirement and why we have it

Why is this an issue now?

Budgetary concerns have escalated...

- Limited funding
 - Could affect decision to initiate the NEPA process
- Transparency, accountability and efficiency
 - Fiscal stewardship is a critical role and responsibility for FHWA
- Timeliness of Projects: program development/delivery

Cost Differences

- Can a NEPA decision be made when the funding in the environmental document does not match what's in the LRTP or STIP/TIP?
 - No. As the final environmental review is completed, it is important to ensure that the cost estimates are consistent with costs described in the LRTP and STIP/TIP.

References

- **Supplemental Guidance + Flowchart, Feb. 9, 2011**
 - <http://www.fhwa.dot.gov/planning/tprandnepasupplement.pdf>
 - <http://www.fhwa.dot.gov/planning/planningnepaflowchart.htm>
- **Clarification – Transportation Planning Requirements & their Relation to NEPA Process Completion... January 28, 2008**
 - <http://www.fhwa.dot.gov/hep/legreg.htm>
- **Guidance on Fiscal Constraint Q&As... April 17, 2009**
 - <http://www.fhwa.dot.gov/planning/guidfinconstr.htm>
- **Guidance – Operational Independence and Non-Concurrent Construction...December 31, 2009**
 - http://www.fhwa.dot.gov/ipd/project_delivery/resources/operational_construction/memo_operational_independence.htm

REMINDERS/UPCOMING TRAININGS

2011

Livability Scan and Freight Assessment

(both emailed Oct 14th)

November 28, 2011

2012

Climate Change webinar – January 30, 2011 – 3pm